



May 15, 2006

Docket Clerk
Fruit and Vegetable Program AMS, USDA
1400 Independence Avenue, SW
Mail Stop 0243
Washington, DC 20250

To Whom It May Concern:

The Missouri Wine and Grape Board strongly oppose a provision in the proposed specialty crop block grant rules that gives a preference to "fresh" specialty crops. The statement, ***"Priority will be given to fresh specialty crop projects,"*** is without justification. The underlying legislation, carefully considered and drafted by the House Committee on Agriculture in 2004, makes no such preference and did not even debate the issue.

WineAmerica, the national trade association for American wineries was a part of the specialty crop support coalition and worked hard for a bill which was designed to help all specialty crops, including processed and wine. It is our belief that neither the bill's sponsors nor the committee intended to provide a preference for fresh specialty crops.

The underlying legislation that provides authorization for specialty crop block grants, P.L. 108-465 and House Report 108-750, makes no distinction between fresh specialty crops and those that have been processed in some manner. This legislation clearly defines specialty crops: "The term 'specialty crop' means fruits and vegetables, tree nuts, dried fruits, and nursery crops (including floriculture)." Indeed there is no legislation history that show Congress intended to give preference to fresh specialty crops. The final legislation (P.L. 108-465) included, only one reference to "fresh".

"The specialty crops committee shall include in each report recommendations regarding the following:

- 1) Programs that would enhance the quality and shelf-life of fresh fruits and vegetables, including their taste and appearance;

- 2) Develop a new crop protection tools and expand the applicability and cost-effectiveness of integrated pest management;
- 3) Prevent the introduction of foreign invasive pests and diseases;
- 4) Develop new products and new uses of specialty crops;
- 5) Develop new and improved marketing tools for specialty crops;
- 6) Enhance food safety regarding specialty crops;
- 7) Improve mechanization of production practices; and
- 8) Enhance irrigation techniques used in specialty crop production."

The use of the word "fresh" in a specific listing of part of the objectives of the bill is hardly a justification for providing a priority for "fresh." In fact, quite the opposite is true. By explicitly mentioning "fresh" in a context where the distinction is meaningful the reasonable implication is that "fresh" does not have any specific meaning in the remainder of the statute.

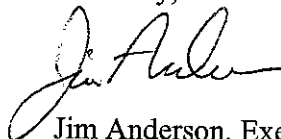
In the USDA announcement of the proposed rule there is no justification for providing the "fresh" preference. It seems to have been included out of purely arbitrary invention. The previous version of specialty crop grants instituted as part of the 2001 Farm Disaster Assistance, (P.L 107-25) ultimately provide funding to promote the competitiveness offer many wine related projects. Such funding is more important than ever as all 50 states have wineries and there is incredible growth in the number of wineries throughout the nation, from about 2,200 in 2000 to just under 4,000 at present. In addition, wine is subject to ever increasing competitive pressure with nearly 25 percent of the U.S market for wine being supplied by imports.

Under this proposal wine grapes would not receive priority benefits from block grants even though wine grapes are a major crop of thousands of American farmers. The same holds true for grapes that will be used for raisins. Giving priority to fresh specialty crops in administering the block grant programs is an idea that has not been thought through. It is prejudicial to one of our most successful specialty crop efforts. The wine and grape industry must not be considered to be in some form of secondary or "less important" status.

We respectfully urge the United States Department of Agriculture, Agricultural Marketing Service to modify the proposed rule for Specialty Crop Block Grant Program by deleting the sentence "Priority will be given to fresh specialty crop projects" in § 1290.4(a).

Thank you for your consideration.

Sincerely,



Jim Anderson, Executive Director
Missouri Wine and Grape Board